DECLARATION OF RESTRICTIONS

HIGH COUNTRY PINES, INC.

Navajo County, Arizona

HIGH COUNTRY PINES, INC., an Arizona corporation (hereinafter sometimes referred to as the "Developer"), the owners of the property legally described on the attached EXHIBIT A, and desiring to establish the nature of the use and enjoyment thereof and to insure a plan for uniform development, and to enhance and protect the value, desirability, and attractiveness of the property, hereby declares that the following express covenants, restrictions, reservations and conditions shall attach to and be for the benefit of all the real property and every lot, tract, street and parcel thereof, and shall constitute covenants running with the land, and the benefits and obligations created thereby shall inure to and be binding upon all parties having or acquiring any right, title or interest in said property or any part thereof.

1. Use of Lots and Tracts A, B, C and D.

(A) All numbered lots in High Country Pines are hereby restricted to single family residential use, except such portions thereof as are necessary for utility easements, and no business or commercial activities whatsoever shall be conducted thereon. Subject to this Declaration of Restrictions, no improvements or construction whatever other than a private dwelling house, a mobile home, fences, caretaker's house, and garage may be erected or maintained on any lot on such premises.

(B) Tracts A, B, C and D identified on the plat are hereinafter referred to as "Common Areas" and will be owned in undivided interests by the owners of the lots and shall be for the common use and enjoyment of the owners. There is hereby reserved to the Developer the right to create easements by grant, reservation or otherwise with respect to the Common Areas or portions thereof. A perpetual easement is hereby reserved for and granted to Lots 1 through 142, and the owners thereof, for ingress and egress to and from said lots and to the Developer, Navopache Electric Company, and Mountain Bell Telephone for the purpose of bringing utilities to the lots and for ingress and egress for garbage and refuse collection, and for emergency service vehicles over, under and upon the streets shown on the plat and identified to be dedicated to Navajo County, Arizona, for public use. Nothing herein shall be construed to constitute a dedication of the said easements to the public.

Tracts A, B, C and D as identified on the plat and hereinafter referred to as "Common Areas" will be owned by the owners of the lots, and shall be reserved for the use and enjoyment of the owners. There is hereby reserved to the Developer and subsequently to the Homeowners Association the right to create easements by grant, reservations, or otherwise, with respect to all the Common Areas or portions thereof. However, any change will necessitate Board of Supervisor action to amend the plat of record.

2. General Restrictions.

(A) Said premises may not be used for a hospital or a sanitarium or occupied for the care, lodging or entertainment, for hire or for charitable purposes, of persons suffering from injury, ill health or disease, mental or physical.

(B) No building or other permanent structure (other than landscaping, walls, fences, or sidewalks) shall be erected or permitted on any of said lots in contravention to the setback lines established on the plat of record of said lots or nearer than fifteen (15) feet from any property line (or such other distance as is reasonably established by the "Architectural Committee," hereinafter established).

(C) No signs or billboards of any nature (other than a name and address sign) shall be erected or maintained on any lot, except "For Rent" or "For Sale" signs referring only to the premises on which displayed and said sign may not exceed two (2) feet square in size and only one such sign shall be permitted to a lot.

(D) No livestock, animals or fowl of any kind may be kept on any lot, except for household pets. Any dog kept on any lot must be kept in an enclosed yard or on a leash and must be controlled so as not to constitute a nuisance by prolonged barking or other objectionable behavior.

(E) Except for vehicles belonging to persons doing work on the premises during daylight hours or at other times during emergencies, trucks, buses, vans, trailers, boats, antique cars, campers, motor homes and similar type vehicles or equipment, shall not be parked in the street, driveway or in the yard of any lot so as to be visible from the street, but shall be kept or parked only in a garage or otherwise hidden from view, unless written approval is obtained by the Architectural Committee with respect to some other place and/or manner of keeping or parking such vehicles or equipment. Except for antique cars, this section does not apply to passenger automobiles, station wagons and/or pickup trucks and vans used primarily for personal transportation provided such vehicles shall not be parked in the street except temporarily. If the Architectural Committee or Developer determine that a vehicle (including, but not limited to, a motor bike or motorcycle) is creating loud or annoying noises by virtue of its operation within the development, such determination shall be conclusive evidence that such operation of the vehicle is a nuisance to the neighborhood and such operation shall, upon notice by the Developer or Architectural Committee to the owner or operator thereof, be prohibited within the properties.

(F) All clotheslines are restricted to the back of the lot and insofar as possible shall be screened from view from any street.

(G) No washing machine or other appliance, and no machinery or tools which might detract from the appearance of a residence shall be exposed to view, and the same shall be screened or kept only within a roofed or enclosed building or area, or inside a residence.

(H) All driveways shall be completed with a gravel material or concrete, brick or such other material as is approved by the Architectural Committee. There shall be no ingress or egress from or to a County road or subdivision street from subdivision lots until proper culverts are installed to County specifications. A no fee County Highway Department permit shall be required for all access to a County Highway and/or Roadway accepted for maintenance by the County for egress and ingress from subdivision lots and shall be obtained prior to any construction and/or installation of same. The permit will show the egress and ingress requirements and will include the specifications for driveway drainage culverts to subdivision lots, said culverts to be provided by the owner, and may be installed by the Navajo County Engineering Department. The required permit(s) may be obtained from one of the County Highway Departments of the County Engineer's Office.

(I) No unlawful, offensive, obnoxious or immoral activity or condition shall be carried on or maintained on any lot, nor shall anything be done or permitted thereon which may be or become a nuisance or annoyance to the neighborhood. There shall not be placed, stored, kept, allowed or maintained upon any lot any junk, trash, refuse, rubble or other unsightly condition or excessive weed growth.

(J) All building exteriors must be completed within twelve (12) months from the commencement of construction, and all building exteriors, lots (whether or not a dwelling has been erected) and landscaping shall be kept in a first-class, neat and clean condition.

(K) All buildings, and other structures erected or installed within said premises shall be of new construction. No unpainted metal siding or roofs will be permitted. All utility and storage buildings, and similar permissible structures must be hidden from view from the streets. Navajo County subscribes to the Uniform Building Code and has adopted appropriate addendums. Prior to construction, a building permit must be obtained from the Navajo County Building Department. This will also require a septic tank permit from the Navajo County Health Department.

(L) No elevated tanks of any kind and no amateur radio or exterior radio or television transmission or receiving towers or discs shall be erected, placed or maintained on any part of the premises without the written consent of the Architectural Committee.

(M) All garbage or trash containers and other such facilities must be hidden as well as possible from view from the street fronting on the property, except on garbage and trash collection days.

(N) No lot may be divided or resubdivided into smaller lots or conveyed or encumbered in less than its full original dimensions and description, except that portions may be dedicated or conveyed for public utility purposes, and no lot shall be conveyed or encumbered unless there is also included in any such conveyance or encumbrance, a pro rata undivided interest in the Common Areas which is appurtenant to said lot.

(O) No substantial changes in the elevations of the land shall be made on the premises without the express written consent of the Architectural Committee.

(P) In the event the owner of a lot fails to maintain his lot (including the exterior of the improvements thereon and the yard and landscaping) in a first-class, neat and clean condition, and generally in a manner satisfactory to the Developer and the Architectural Committe, the Developer, through its officers, agents, employees and/or independent contractors shall have the right, and each owner by agreeing to acquire a lot expressly grants and assigns to the Developer the right (subject to prior notice as hereinbelow set forth), to enter upon such owner's lot and repair, maintain, rehabilitate and restore the other structures located thereon to the condition deemed satisfactory to the Developer. The cost thereof shall be charged against and collected from the owner of the lot, the amount thereof to be paid by the owner within thirty (30) days from the date of the invoice sent to the owner, and said amount further shall be secured by, and subject to all provisions regarding the assessment lien as provided in Section 4 of this Declaration.

Prior to exercising the aforesaid right of restoration, the Developer shall give written notice to the owner of said lot specifying the necessary repair, maintenance, rehabilitation or restoration to be undertaken, and granting the owner thirty (30) days to accomplish the same. If, at the end of said period, the work required to be performed has not been completed (or has been completed in a manner unsatisfactory to the Developer), then the Developer shall have the right, as above set forth, to make such repairs, maintenance, rehabilitation or restoration.

Nothing herein contained shall be construed as granting to the Developer any right to enter inside of any building or buildings located on a lot without the express consent of the owner thereof.

3. Architectural Committee.

No building, fence, wall or other structure of any character shall be erected, placed, altered, reconstructed or maintained on any lot until plans, specifications and a plot plan showing the exact location of such improvement have been approved in writing as to exterior design, materials, location of the improvement, and topography and finished ground elevations by an Architectural Committee (sometimes hereinafter referred to as the "Committee") composed

of not less than two nor more than three individuals, representing the owners of the lots. Each of said individuals must be an owner (or part owner) of a different lot in the development. A corporate owner may designate one officer to serve on the Committee for each lot owned. The Committee shall initially consist of two persons as designated by the Developer. Any two members of the Committee shall have the power to bind the Committee, or the Committee can, by a majority vote, designate a representative to act for and on behalf of the Committee. In the event of death or resignation of any member of the Committee or the creation of a vacancy on the Committee for any reason, the remaining member(s) shall have the right and power to name additional members of the Committee to fill any vacancy. The Committee or its designated representative shall have full authority to approve such design, material, location, elevation, alteration or other improvement herein provided, within thirty (30) days after proposed plans, specifications and plot plan have been submitted to it (and a written receipt shall have been given therefor). In the event no Architectural Committee is in existence or if the Committee fails to give notice of approval or disapproval within thirty (30) days after the submission to it, the approval of the Committee will be deemed to have been given and this covenant shall be deemed to have been fully complied with. No member of such Committee nor its designated representative shall be entitled to any compensation for services performed pursuant to this paragraph. The address of the Architectural Committee to which all notices are to be given is 3033 North Central Avenue, Suite 707, Phoenix, Arizona 85012. This address may be changed from time to time by notice to each lot owner.

4. Assessment for Maintenance.

(A) The owner of each lot by acceptance of a deed or other instrument therefor (a contract buyer under an agreement of sale shall be deemed an owner) for himself, his heirs, executors and assigns, and whether or not it shall be so expressed in any such deed or conveyance, is deemed to covenant and agree to pay to the Developer his pro rata share of the cost to maintain, repair, replace and improve the Common Areas, which costs shall be comprised of (i) annual or periodic assessments or charges, (ii) special assessments for capital improvements, and (iii) individual assessments as provided for under Section 2(P) hereof. The annual or periodic, special and individual assessments, together with such interest thereon and costs of collection thereof (including reasonable attorneys' fees) as hereinafter provided, shall be a charge on the land and shall be a continuing lien (hereinafter sometimes called an "Assessment Lien") upon the lot (and its undivided interest in the Common Areas) against which each such assessment is made. Each such assessment, together with interest costs and reasonable attorneys' fees shall be the personal obligation of the person who was the owner of such lot at the time when the assessment fell due, but such personal obligation or liability of the owner shall not be deemed to limit or discharge the charge on the land and continuing lien upon the lot against which such assessment is made. No owner shall escape liability for the assessments which fall due while he is the owner by non-use of the properties or transfer or abandonment of his lot.

(B) The Developer shall have the right to levy assessments for the purpose of promoting the general benefit, health, safety and welfare of the owners of the lots. Such purposes shall include, but shall not be limited to, and the Developer's rights and powers shall include the provision for, and improvement, construction, repair, maintenance and management of the Common Areas and the improvements thereon; and further, shall include the payment of all real estate taxes or other assessments which may be assessed against and levied upon the Common Areas and any improvements located thereon (if such taxes or assessments are not otherwise paid by the respective lot owners), together with all other costs and expenses related to the management and maintenance of the Common Areas.

(C) The Developer shall determine and establish the budget and make assessments upon the owners of the lots in the development on the basis of the costs and expenses incurred, and reasonably expected to be incurred, by it. Each lot shall be subject to an assessment in an amount to be determined by the Developer, which shall be a pro rata share of the cost of the following:

(i) The actual cost to the Developer of all administrative, accounting and legal expense incurred in connection with the management of the Common Areas and all taxes, water, electricity and other utilities, insurance, repairs, construction, replacements and maintenance of the Common Areas and all improvements thereon.

(ii) Such sums as the Developer shall determine to be fair and prudent for the establishment and maintenance of a reserve for repair, maintenance, taxes, insurance, management and administrative costs and other charges as specified herein.

The amount to be prorated pursuant to subparagraphs (i) and (ii) above shall be established periodically (preferably annually) by the Developer who shall collect each lot's proportional share of the assessment at monthly, quarterly or such other regular intervals as it may deem appropriate.

(D) Both annual and special assessments shall be fixed at a uniform rate for each lot irrespective of whether a dwelling has been erected thereon.

(E) Each owner for himself, his heirs, executors, administrators, successors and assigns, covenants and agrees that any assessments not paid within thirty (30) days of the submission to such owner of a statement therefor by the Developer in the manner provided in subsection (F) hereof shall be deemed in default, and shall thereafter bear interest during delinquency and until paid in full at the rate of three percent (3%) over the "Prime Rate" of The Valley National Bank of Arizona as such rate was announced on the first day of the month in which the default occurred and is announced from time to time by such bank on the first day of each month and adjusted monthly thereafter. The owner shall be liable for the assessment and interest thereon, together with all costs incurred by the Developer in collecting the same, including reasonable attorneys' fees. In the event any court action is commenced for the collection of same, such fees shall be fixed by the judge of the court. The assessment lien herein provided shall also secure the amount of such interest, cost and attorneys' fees.

(F) The owner(s) of each lot shall be deemed to have received notice the earlier of (i) the time such notice is personally delivered to said owner(s) or (ii) three (3) days after the date that notice thereof is mailed to said owners, certified, return receipt requested, in the United States mail, postage prepaid, addressed to the address of the lot owner(s) as such address is shown in the records of the Navajo County Recorder, or to such other address as the owner shall have given in writing to the Developer for such purpose.

(G) All assessments shall be deemed to be a lien from the date the assessment is made. The Developer is hereby authorized to record a notice of the lien in the office of the County Recorder of Navajo County, Arizona, and such lien shall continue in full force and effect until fully paid and satisfied. If the owner(s) of any lot fails to pay an assessment when due, the Developer may enforce the payment of the assessment, or enforce the lien against the lot, by taking any or all of the following actions, concurrently or separately (and by exercising any of the remedies hereinafter set forth, the Developer does not prejudice or waive its right to exercise the other remedies or any other remedies provided by law):

(i) Bring an action at law against the owner(s) personally obligated to pay the assessment.

(ii) Foreclose the assessment lien against the lot in accordance with the then prevailing law relating to the foreclosing of realty mortgages (including the right to recover any deficiency), and the lot may be redeemed after foreclosure as provided by law. In any such foreclosure, the Developer shall have the right to bid in the interest foreclosed at foreclosure sale and to acquire and hold, lease, mortgage and convey the same.

(iii) Foreclose such lien or liens in the manner provided by the statutes of the State of Arizona for the foreclosure of mechanic's and materialman's liens.

(H) The assessment lien shall be junior and subordinate to the lien of any prior recorded realty mortgage or deed of trust affecting the lot. Any foreclosure purchaser taking, as a result of foreclosure of a prior mortgage or prior deed of trust, or any grantee taking by deed in lieu of foreclosure of such prior mortgage or deed of trust, shall take the lot free of the assessment lien for all charges that have accrued up to the date of the issuance of a sheriff's deed, trustee's deed or deed given in lieu of foreclosure, but shall take subject to the assessment lien for all assessments and charges accruing subsequent to the issuance of such sheriff's deed, trustee's deed or deed given in lien of foreclosure.

(I) So long as the Developer shall be in contral of managing the maintenance of the Common Areas and levying assessments therefor, it shall not be entitled to any fee or special compensation for the performance of such duties; provided, however, it shall be reimbursed for all out-of-pocket expenses incurred and expected to be incurred by it in connection therewith. If the management rights of the Developer with respect to the Common Areas are assigned by it, as hereinafter provided, any successor to the Developer (except the Architectural Committee) shall be entitled to charge such reasonable fee for the performance of such services as the owners of a majority of the lots shall consent to.

(J) The owners of the lots shall jointly and severally indemnify and hold harmless the Developer, and its officers, agents and employees and their respective heirs, executors, administrators, successors and assigns, from any and all claims, losses, liabilities and damages (including, without limitation, attorneys' fees) incurred or suffered by such Developer or its officers, agents and employees by reason of any act performed or omitted to be performed by them, or any of them, in connection with the management of the Common Areas, including but not limited to the making and enforcement of assessments therefor. All judgments, and other assessments against the Developer or its officers, agents and employees shall be entitled to be repaid by the making of assessments against the lot owners in the same manner as assessments are made for the collection of other expenses incurred in connection with the Common Areas. Any indemnification required herein to be made by the lot owners shall be made promptly following the fixing of the loss, liability or damage incurred or suffered by a final judgment of any court, settlement, contract or otherwise. In addition, the Developer and its officers, agents and employees and their respective heirs, executors, administrators, successors and assigns shall not be liable to the lot owners or any one of them for any loss, liability or damage suffered or incurred by said lot owner(s), directly or indirectly, in connection with the activities of the Developer in management of the Common Areas if the person whose action or omission to act is claimed to have caused the loss was acting in good faith and such course of conduct did not constitute intentional fraud, gross negligence or reckless conduct. All acts and omissions of the Developer in the management of the Common Areas done or omitted in good faith and which do not constitute fraud, gross negligence or reckless conduct shall be deemed to have been done as the agent for each of the lot owners. The provisions of the paragraph are not intended for the benefit of, or to create any defense in favor of, any insurer who may otherwise be liable for any loss or damage caused by the Developer or its officers, agents or employees, and no insurer shall be entitled to claim any right of subrogation against the lot owners on account hereof.

5. Right to Assign and Formation of Homeowners Association.

The Homeowners Association for subject subdivision is to be formed when Developer determines that a reasonable number of homes have been erected. At that point, Developer will create or assist in creating a formal Homeowners Association, and will assign all rights and responsibilities previously exercised by Developer to the newly formed Homeowners Association.

Any and all of the rights, powers, duties and obligations which in this instrument are assumed by, reserved in or given to the Developer or the Architectural Committee may be assigned or transferred to any one or more corporations or associations (whether or not incorporated) which will agree to assume said rights, powers, duties and obligations and carry out and perform the same. The use of the words "Developer" or "Architectural Committee" in this Declaration, shall also mean and refer to their respective successors and assigns. Any assignment or transfer shall be made by an instrument in writing in which the assignee or transferee shall join for the purpose of evidencing its acceptance of such rights, powers, duties and obligations, which instrument shall be recorded; and such assignee or transferee shall thereupon have the same rights

and powers and be subject to the same obligations and duties as are herein given to and assumed by the Developer, its successors and assigns, or the said Architectural Committee. In the event of such assignment or transfer, the assignor or transferor and its successors and assigns, or said Architectural Committee, shall thereupon be released from all the rights, powers, duties and obligations in this instrument reserved or given to and assumed by the Developer, its successors or assigns, or the said Architectural Committee; provided, however, the Developer shall continue to have the right to indemnification provided herein for all claims, losses and damages incurred or arising on account of any act or omission of the Developer or its officers, agents and employees during the time it was managing the Common Areas.

6. Application, Interpretation and Enforcement.

(A) The covenants, restrictions, reservations and conditions contained herein shall run with the land and shall be binding upon all persons purchasing, leasing, sub-leasing or occupying any lot or lots in the development after the date on which this instrument has been recorded. These covenants, restrictions, reservations and conditions may be enforced by the Developer, the Architectural Committee, the owner of any lot in said development, or by any one or more of said individuals and corporations, or by their respective successors in interest, by suit at law or in equity or to restrain or enjoin any violation or threatened violation hereof or for damages or dues on account thereof; provided, however, that any breach of said covenants, restrictions, reservations and conditions shall not defeat or affect the lien of any mortgage or deed of trust made in good faith and for value upon said land, but each and all of said covenants, restrictions, reservations and conditions shall be binding upon and effective against any owner of said premises whose title thereto is acquired by foreclosure, trustee's sale or otherwise, and provided also that the breach of any of said covenants, restrictions, reservations and conditions may be enjoined, abated or remedied by appropriate proceedings, notwithstanding the lien or existence of any such deed of trust from mortgage. In the event any party shall bring any action for the breach, interpretation or enforcement of these restrictions, the prevailing party shall be entitled to recover court costs and reasonable attorneys' fees as fixed by the court. Since determination of damages may be difficult to achieve, a willful violation of these restrictions continued for ten (10) days after receipt of written notice thereof from the Developer or its designee shall subject the owner(s) of the lot in violation to payment of liquidated damages in the amount of $25.00 per day for each day such violation continues thereafter, in addition to any other damages which can be proven to have been suffered, unless the cure of any violation shall require a longer period than ten (10) days to effect, in which event the lot owner(s) shall be allowed such additional period as is reasonably determined by the Developer to effect such cure and provided the lot owner(s) immediately commences and continues with diligence to effect such cure. Such liquidated damages shall be paid to the Developer, its successors or assigns, but shall be for the benefit of all of the lot owners and shall be applied to reduce the cost of managing the Common Areas.

(B) All instruments of conveyance of any interest in all or any part of said development shall contain reference to this instrument and shall be subject to the covenants, restrictions, reservations and conditions herein as fully as though the terms and conditions of this instrument were therein set forth in full; provided, however, that the terms and conditions of this instrument shall be binding upon all persons affected by its terms, whether expressed reference is made to this instrument or not.

(C) Invalidation of any one of these covenants, restrictions, reservations or conditions by judgment or a court order or otherwise shall in no wise affect the validity of any of the other provisions hereof, which shall remain in full force and effect. No failure to enforce any of these covenants, restrictions, reservations or conditions shall, in any event, be construed or be held to be a waiver thereof or a consent to any other or succeeding breach or violation, whether of the same or of a different nature, or to prevent or estop the enforcement of each and all of these covenants, restrictions, reservations and conditions.

(D) In the event of any ambiguity in a provision of these restrictions, the interpretation of the Developer so long as it is the owner of any lot or the manager of the Common Areas and thereafter the Architectural Committee or its successors in interest as to the meaning intended shall prevail.

(E) Paragraph headings are inserted for convenience only, and are not intended to be a part of this Declaration or in any way define, limit or describe the scope or intent of the particular paragraph to which they refer.

(F) Reservation herein of the right to modify or amend these restrictions shall in no way be construed to imply there is no uniform plan for development of these lots, or that these restrictions are personal only. These covenants, restrictions, reservations and conditions constitute covenants running with the land, and may be enforced by or against any lot owner regardless of his derivation of title.

(G) Nothing herein contained shall be construed so as to permit any person to perform or omit to perform any act, the performance of which or the omission of performance of which, is a violation of any statute, ordinance, rule, regulation or other law applicable to the lots or any portion thereof. In particular, but without limitation to the foregoing, adherence to the restrictions herein declared in no way relieves the owner(s) of any lot from complying with the rules and regulations of Navajo County, and lot owners are cautioned to familiarize themselves with such rules and regulations, and, conversely, compliance with the rules and regulations of Navajo County does not relieve lot owners from complying with these restrictions.

7. Continuation of Restrictions.

These covenants, restrictions, reservations and conditions (and any amendments made hereto as herein provided) shall remain in full force and effect until and including December 31, 2003, and thereafter they shall be deemed to have been automatically renewed and extended for successive periods of ten (10) years each, for so long thereafter as may be now or hereafter permitted by law, unless revoked or amended as herein provided.

8. Amendment of Restrictions.

The Developer as owner of all of the lots and the Common Areas, and its successors and assigns, shall have the power and right to make any reasonable and necessary changes in these restrictions, and whether or not such changes affect all or any portion of the lots in said development, until no less than 50% of the lots owned by the Developer in said development shall have been sold, after which time there shall be no changes in any of these restrictions without the formal approval by written vote of the owners of all the lots in said development, such vote to be taken no sooner than fifteen (15) days after 100% of said owners have been fully informed in writing of any such proposed changes, by mail addressed to their addresses as shown at that time in the records of the Navajo County Recorder. Voting on any such proposed changes may be by mail. No amendment shall be made which changes the pro rata portion of assessments to be made by the owners of any lot, and without the consent of the Developer, no amendment shall be made which affects the Developer's rights or liabilities under Section 4(J) hereof. When any amendment or modification of these restrictions has been effected, as provided herein, such amendment or modification shall supersede that portion of this Declaration affected thereby, and from the time of recording such amended Declaration in the office of the Navajo Recorder, all the then existing and future owners of and holders of any lien upon, any interest in any lot in this development shall be bound thereby and shall no longer be bound or affected by that portion of this Declaration which shall have been superseded thereby.

9. Developer Commitments Relating to Providing Utilities for Lots.

Developer hereby agrees and so commits to provide or cause to be provided certain utilities to the front lot line on the front of all lots described on the plat of record.

Accordingly, Developer reserves a perpetual easement across the front of every lot for purposes of installing water, power, telephone service, and such other utilities as may be installed in the future, such easements to be a strip ten (10) feet wide paralleling the street right-of-way line.

It is expressly stated that Developer will undertake, in full conformance with rules and regulations imposed by public authorities, to provide services described above but only to the front lot line of each lot, each lot owner being responsible for all costs including, but not limited to permits, fees and construction costs for extending the service to the house itself.

It is further stated that Developer will undertake to provide water service acceptable to the public authorities to each lot in the subdivision, each lot owner being responsible for paying Developer for such water supplied regardless of whether Developer organizes a formal water company franchised by the State of Arizona or elects to supply water through a privately owned entity.

10. Definition.

Wherever in this document "Architectural Committee," "Developer," "Homeowners Association," are used, the intent is that such descriptions are used interchangeably since the rights of Developer and Architectural Committee will in time be passed on to the Homeowners Association.

11. Conformance with Navajo County Regulations, Ordinances, etc.

All lot owners in this subdivision will be required to conform to all regulations, ordinances, codes, etc., as imposed or may be imposed by Navajo County authorities, and are further required to secure such permits as may be required by such authorities. Particular reference is made to the ordinance prohibiting vehicular ingress and egress to the lots until a culvert or culverts have been installed in conformance with County Highway Engineering requirements. Should ingress and/or egress signs be required by Navajo County regulations, there will be a no fee permit to cover the installation by the County Highway Department except for those outlined in Article IX of the SUBDIVISION REGULATIONS AND REQUIREMENTS as adopted by the County Board of Supervisors on April 5, 1971.

Dated this 12th day of November, 1984.

Developer and Owner: HIGH COUNTRY PINES, INC.

By: _____
L. L. Stroud, President

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

The foregoing instrument was acknowledged before me this 13th day of November, 1984, by L. L. STROUD, President of HIGH COUNTRY PINES, INC., an Arizona corporation, on behalf of the corporation.

_____
Notary Public

My commission expires:
October 13, 1986

RATIFIED AND APPROVED BY USLIFE TITLE COMPANY OF ARIZONA, AN ARIZONA CORPORATION AS TRUSTEE ONLY, UNDER TRUST NO. 1221.

BY: _____
ITS: TRUST OFFICER

8

AMENDMENT TO DECLARATION OF RESTRICTIONS

HIGH COUNTRY PINES, INC.

HIGH COUNTRY PINES, INC. hereby amends the DECLARATION OF RESTRICTIONS recorded in Docket 761, Pages 352-362, Navajo County, Arizona, on November 20, 1984, as follows:

1. Paragraph 1(A), Page 352 is amended by deleting the phrase "a mobile home". It is the intent of this Amendment to prohibit all mobile homes. The balance of Paragraph 1(A) is to remain the same.

2. Paragraph 2, Pages 352-354, is amended by adding the following subparagraphs:

   (Q) No residence shall be erected containing less than 800 square feet of living space.

   (R) During actual continuous construction of a permanent residence on a lot, a lot owner may reside in a self-contained vehicle which contains bathing and toilet facilities, provided that the vehicle is hooked up to (1) a septic tank and disposal field, (2) metered electric service, and (3) metered water service. Any construction period under this subparagraph shall not exceed one year. Lot owner will comply with all health and sanitation requirements of Navajo County. Lot owner must obtain prior written approval from Developer/Architectural Committee before beginning temporary residence in a self-contained vehicle as herein described. Lot owner will comply with rules and regulations of the Architectural Committee. Violation thereof may result in revocation of approval to use self-contained vehicle. Authorization of the Board of Adjustment required for temporary structure during construction of dwelling. Contact Navajo County Planning Department for authorization procedure.

All other covenants, conditions, and restrictions as originally recorded shall remain the same.

DATED this 20th day of March, 1985.

Developer and Owner: HIGH COUNTRY PINES, INC.

By: _____
L. L. Stroud, President

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

The foregoing instrument was acknowledged before me this 20th day of March, 1985, by L. L. STROUD, President of HIGH COUNTRY PINES, INC., an Arizona corporation, on behalf of the corporation.

_____
Notary Public

My commission expires:

My Commission Expires June 21, 1988

_____

RATIFIED AND APPROVED BY USLIFE TITLE COMPANY OF ARIZONA, AN ARIZONA CORPORATION AS TRUSTEE ONLY, UNDER TRUST NO. 1291.

BY: _____

ITS: TRUST OFFICER

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

On this 19 day of March, 1985, before me, the undersigned officer, personally appeared Russell Johnston who acknowledged himself to be the Trust Officer of USLIFE TITLE COMPANY of Arizona, an Arizona corporation, and that he, as such officer being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation, by himself as Trust Officer.

Brenda Melanson Everett
Notary Public

My commission expires:

OFFICIAL SEAL
BRENDA EVERETT
NOTARY PUBLIC - ARIZONA
MARICOPA COUNTY
My Comm. Expires Apr. 1, 1987

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MICROFILMED
INDEXED

RECORDED AT THE REQUEST OF
L.L. Stroud
April 3, A. D. 1985 AT 11:30 O'CLOCK A. M.
IN DOCKET 775 Off. Records PAGE 541-542
RECORDS OF NAVAJO COUNTY, ARIZONA
JAY H. TURLEY RECORDER
BY Rodney Johnson DEPUTY

COUNTY RECORDER
NAVAJO
NAVAJO CO. STATE OF ARIZONA